



January 31, 2006

L. Kimball Payne
City Manager
City of Lynchburg
900 Church Street
P.O. Box 60
Lynchburg, VA 24505

Re: Timberlake Square

Dear Mr. Payne:

The above referenced development may be submitted to the Virginia Housing Development Authority (VHDA) for a reservation of 2006 Low Income Housing Tax Credits. The tax credits apply to the owner's federal tax return, but the VHDA is responsible for allocating the credits to developments within Virginia. We are required by the Internal Revenue Code to provide localities with an opportunity to comment on the developments under consideration.

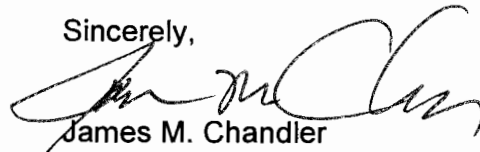
You may have already written a letter, which will be included in the application package submitted by the development sponsor, and if so, we appreciate that input. If not, or if you would like to comment further, you may do so at this time. In order for us to consider your comments in our scoring, we must receive your letter by March 31, 2006.

Letters that correspond to the attached letter of support will qualify the application for 50 points. If you send an opposition letter stating that the development is inconsistent with (1) current zoning, or (2) other applicable land use regulations, the development will receive no points in this category. Additionally, if you provide no comments or if your letter does not meet the support or opposition criteria discussed above, the application will receive a score of 25 points.

For your reference, we have included development information sheets that briefly explain the development and identify the sponsor. I would encourage you to contact the person listed in section C of the information sheets to achieve a better understanding of the proposed development.

Thank you for your time and consideration.

Sincerely,



James M. Chandler
Director of LIHTC Programs

JMC/dlg
Enclosures



Appendix I: Local CEO Support Letter

(This Form May Be Included With Application - Tab I)

or

(This Letter Must Be Received by VHDA by March 31, 2006)

(This Form Must Be Submitted Under Locality's Letterhead)

DATE

TO: Virginia Housing Development Authority
601 South Belvidere Street
Richmond, Virginia 23220-6500
Attention: Jim Chandler

RE: LOCAL SUPPORT

Name of Development: _____

Name of Owner/Applicant: _____

The construction or rehabilitation of (NAME OF DEVELOPMENT) and the allocation of federal housing tax credits available under IRC Section 42 for that development will help meet the housing needs and priorities of (NAME OF LOCALITY). Accordingly, (NAME OF LOCALITY) supports the allocation of federal housing tax credits requested by (NAME OF APPLICANT) for that development.

Yours truly,

CEO Name
Title

NOTE TO LOCALITY: Any change in this form letter may result in a reduction of points under the scoring system. If you have any questions, please call Jim Chandler at VHDA (804) 343-5786.

NOTE TO DEVELOPER: You are strongly encouraged to submit this certification to the appropriate local official at least three weeks in advance of the application deadline to ensure adequate time for review and approval.

DEVELOPMENT INFORMATION SHEETS

A. LOCATION INFORMATION

Name of Development: Timberlake Square
Address of Development: 7304 Timberlake Road, Lynchburg, VA

Circuit Court Clerk's office in which the deed to the property is or will be recorded: Lynchburg City
City/County of _____

Does the site overlap one or more jurisdictional boundaries? ☐ Yes ☒ No

Is the development located in a Metropolitan Statistical Area? ☒ Yes ☐ No

Census tract development is located in 51680001600 (SBA HubZor
Census Tract Number _____

Is this a Qualified Census Tract? ☐ Yes ☒ No

Is the development located in a Difficult Development Area? ☐ Yes ☒ No

Is the development located in a revitalization area? ☐ Yes ☒ No

Congressional District 6 <http://dlsqis.state.va.us/congress/2001PDFs/chap7Tab.pdf>

Planning District 11 <http://www.coopercenter.org/vapdc/BOUNDARIES/>

State Senate District 23 <http://dlsqis.state.va.us/senate/2001PDFs/Chap2Tab.pdf>

State House District 23 <http://dlsqis.state.va.us/House/2001HousePDFs/Chap1Tab.pdf>

Name and title of local official you have discussed this development with who could answer questions for the local CEO: Tom Martin, AICP, Planner 434-455-3990

Tax Credit Pool: Small MSA and Micropolitan Area Pool

B. DEVELOPMENT DESCRIPTION

In the space below, give a brief description of the proposed development.

The proposed community will include 120 two and three bedroom homes. All homes will have individual entries and full market amenities such as washers and dryers. A community building will be available for the residents' use. There will be one story homes designed with features to appeal to elderly residents of the community.

Indicate development type: (Family or Elderly) Family

C. OWNER INFORMATION

Name SP Timberlake LP
Contact Person Richard Armstrong 804-740-0600 or Roberta Ujakovich 202-723-4351
Address 25400 US Highway 19 North - Suite 154 Clearwater FL 33763

Type of entity: ☒ Limited Partnership ☐ Other: _____
☐ Individual(s) ☐ Corporation

Principal(s) involved (e.g. general partners, controlling shareholders, etc.):

<u>Names</u>	<u>Phone</u>	<u>Type of Ownership</u>	<u>% Ownership</u>
<u>J. David Page</u>	<u>727-669-3660</u>	<u>100% shareholder of General Partner</u>	
_____	_____	_____	_____
_____	_____	_____	_____

D. SELLER INFORMATION:

Name William Collins, Bilco Property Group
Address 308A S. Stratford Road
Winston Salem, NC 27103

Is there an identity of interest between the seller and owner/applicant? ☐ Yes ☒ No
If yes, complete the following:

Principal(s) involved (e.g. general partners, controlling shareholders, etc.):

Name _____
Address _____

E. DEVELOPMENT INFORMATION**A. Structure and Units:**

Total number of all units in development	<u>120</u>	bedrooms	<u>300</u>
Number of low-income units	<u>120</u>	bedrooms	<u>300</u>
Percentage of units designated low-income	<u>100%</u>		
Percentage of floor space attributable to low-income	<u>100%</u>		

The development's structural features are (check all that apply):

<input type="checkbox"/> Row House/Townhouse	<input type="checkbox"/> Garden Apartments	<input checked="" type="checkbox"/> Slab on Grade	<input checked="" type="checkbox"/> Crawl Space
<input type="checkbox"/> Detached Single-family	<input checked="" type="checkbox"/> Detached Two-family	<input type="checkbox"/> Basement	Age of Structure <u>New</u>
<input type="checkbox"/> Elevator	Number of stories: <u>1 or 2</u>		

Number of new units	<u>120</u>	bedrooms	<u>300</u>
Number of adaptive reuse units	_____	bedrooms	_____
Number of rehabilitation units	_____	bedrooms	_____
Total number of all units	<u>120</u>	Total bedrooms	<u>300</u>
Gross Residential Floor Area	<u>144,000</u>		
Commercial Floor Area	_____		
Number of Buildings	<u>60</u>		

B. Building Systems:

Please describe each of the following in the space provided

Community Facilities: Clubhouse including meeting room
Picnic areas
Playground area

Exterior Finish: Vinyl siding
Heating/AC System: Heat pumps
Architectural Style: Design in progress, will have individual entries and porches or patios

Development of 33 Acre Tract-7304 Timberlake Road

This 33-Acre tract consists of three separate parcels - a 5-acre, B5C site; a 16-Acre R3C site and a 12-Acre R4 site. The property was previously a drive in theater site, but has not been used in recent years, except for a "flea market" on the R4 parcel.

Although there is significant frontage on Timberlake Rd. it is Southport's intent to build a boulevard on the site, to access the three parcels. The road would be built to VDOT specifications, with the intent of dedicating it to the City of Lynchburg as a public street. This will be the only entrance onto the site from Timberlake Road.

Utilities - water, sewer and electricity are currently available to the site.

The development will be done in three stages:

R4 SITE

A 120 unit garden apartment complex is planned for the R4 site, consisting of 1, 2, & 3 bedroom apartment homes. The property would be developed under the Virginia Housing Development Authority's housing finance program utilizing the federal Section 42 tax credit program. This will allow the units to be constructed as conventional quality units, with the normal amenities found in conventional units, but marketed at below market rents. Application to VHDA is due March 10.

While the final mix has not been determined, it is Southport's intent to market to seniors and small families. The complex will have a clubhouse, pool and activity areas for the tenants. It will be well landscaped and lighted for the security of the tenants.

R3C SITE

A 104-120 unit complex is planned for the R3C site, consisting of 2 and 3 bedroom homes. The property will be either an upscale rental property, conventionally financed or a "for sale" property marketed at the middle-income level.

The complex will have a clubhouse, activity areas and upscale landscaping. The units will be upscale in finish and amenities.

B5C SITE

A combination retail-commercial building is currently being considered for the B5C parcel. The building would be 2 stories with small retail establishment on the first floor and offices on the 2nd. The building would be oriented to the boulevard rather than fronting on Timberlake Rd.

Market conditions and demand will dictate the development of the B5C site. While Southport may not be the developer of this commercial tract, it is our intent to influence its development, in order to enhance the two residential properties.

Southport envisions a community atmosphere within the entire development when finished, containing a mix of residential, commercial and retail uses. The development will contribute to the revitalization of the immediate area, as well acting as a cornerstone for additional development. We are excited about the potential and look forward to working closely with the Lynchburg staff on the final community to be created.

Timberlake Square

Development Team

The Timberlake Square development team will include parties with long experience in the development of quality multifamily housing. The team will include Southport Financial Services, Inc., through its affiliate SP Timberlake LP; a Virginia limited partnership as the developer. Winks Snow Architects, PC will be the design and supervisory architect and New Horizons Management LLC will be the property manager.

Developer - Southport Financial Services, Inc.

Background:

Southport Financial Services, Inc., a Washington State corporation, ("Southport"), has its administrative headquarters in Tacoma, Washington. J. David Page is President and sole shareholder. Other offices are in Tampa, Florida, Washington, DC and Richmond, VA. Southport was formed in 1995. Since that time Southport has acquired a substantial number of market rental housing projects and developed over 40 Low Income Housing Tax Credit ("LIHTC") properties. Southport is a national company with major projects from Hawaii to the Eastern Seaboard. Southport often partners with local companies to bring together local market expertise with its national financing expertise. Southport has a demonstrated capability of securing LIHTC allocations as well as tax-exempt volume cap bond allocations. We often work with non-profit sponsors and actively seek those relationships. Southport currently owns or has participation ownership in over 9,000 units nationwide. A list is attached.

Timberlake Square Southport lead personnel

Here is a brief resume of the backgrounds of the key Southport personnel for the Timberlake Square development.

President & CEO- J. David Page Mr. Page graduated cum laude from Harvard University with a degree in economics and did graduate work at the University of Washington. Mr. Page founded Southport in 1995 after developing 6,000 units of apartments totaling \$300 million in development. Three thousand of these units involved tax credits and/or tax-exempt bond financing.

Senior Vice President - Richard Armstrong Mr. Armstrong has been an active housing developer and builder for over 25 years. For Timberlake, Mr. Armstrong will oversee the design and construction of the development. He holds a BA in Economics from Wake Forest University. He is also a graduate of Virginia Tech's Construction Management program. Mr. Armstrong is responsible for all aspects of Southport new business development in the Southeast, including Virginia, North & South Carolina and Georgia. He is also responsible for construction management of Southport's construction and renovation projects in the Mid Atlantic area. He came to Southport from GMAC/Newman, where he was Senior Vice President & Manager of Asset Management/Loan Administration for new construction and rehabbed properties. Prior to his career with GMAC/Newman, Mr. Armstrong was Senior Vice President of Dynex Capital, where he was manager of the company's affordable housing programs. Mr. Armstrong has also been a developer of single family and multifamily housing, generating 4500 units in Virginia, North & South Carolina.

Senior Vice President – Roberta Ujakovich. Ms. Ujakovich has been a developer of multifamily housing for over 20 years. Her expertise includes conventional and affordable multifamily development, including for sale properties. For Timberlake Square, she will be responsible for the raising of debt and equity to finance the development. She holds a Bachelor of Arts from Allegheny College and a Master in Public Policy from the John F. Kennedy School of Government at Harvard University. She is responsible for all aspects of Southport acquisition and redevelopment projects, working with local development partners throughout the country. Previously, she was Senior Vice President at AIMCO, a national Real Estate Investment Trust. There she was responsible for transactions in a portfolio of over 400 affordable housing properties that AIMCO acquired with the acquisition of The National Housing Partnership (NHP). At NHP, she was Senior Vice President - Asset Management Transactions, managing all conventional and affordable sale, refinancing and workout transactions for a portfolio of over 840 multifamily properties valued at over \$3 billion. Prior to NHP, Ms. Ujakovich worked as a developer for three successive, affiliated real estate development companies based in Washington, DC: The Cafritz/Freeman Group, The Investment Group and Rosenberg, Freeman and Associates, which developed property in the Mid Atlantic and Midwest. Ms. Ujakovich has also worked as a real estate consultant for owners of affordable housing throughout the country and as a housing development loan officer for the Michigan State Housing Development Authority.

Architect - Winks Snowa Architects, PC

Winks Snowa Architects is the experienced architectural firm of Ed Winks and Jim Snowa. The firm does architecture, site planning and master planning and has extensive experience in multifamily new construction. Located in Richmond, Virginia, Winks Snowa works throughout the Southeast. The firm has designed over 50 multifamily properties throughout Virginia. In addition, they have developed neighborhood commercial centers such as that which would be developed at Timberlake Square. It is anticipated that Winks Snowa would work on the plan for the redevelopment of the entire Timberlake Square site.

Property Management - New Horizons Management LLC

New Horizons Management LLC is a joint venture between Edgewood Management Corporation (a Maryland corporation) and New Horizons Management JV LLC (a Washington limited liability company). This joint venture was formed to provide superior management service by combining the proven strength of two real estate management companies, Edgewood and Southport Financial Services. Edgewood Management Corporation has over thirty years of expertise in real estate management and supervises the day-to-day operations of the properties managed by New Horizon Management LLC. Edgewood was founded in 1972 by Eugene F. Sr. and currently manages over 130 properties containing over 22,000 units in 15 states and the District of Columbia. Edgewood has extensive experience in both affordable housing and conventional market housing.

Southport Financial Services, Inc.
Regional Listing

Local Partner Areas

Southport allocates its development activities by geographic areas.

<u>Division Name</u>	<u>Ownership</u>	<u>Principal Areas</u>	<u>Business Activity</u>	<u>Local Partner-SP Dev./Mgt. Apts.</u>
1. West & Northwest	Steve and Paul Page	WA, AZ	9% and 4% Tax Credit Projects; Market Rent Apts.	1100
2. West Coast	Garcia Inv.	CA, HI	4% Tax Credit Apts. Market Rent Apts.	1024
3. Midwest	SP-YARCO	KS, MO, AR	4% Tax Credit Apts.	2263
4. Mid-Atlantic-SE	SP	DC, MD, VA, FL	4% Tax Credit Apts. Market Rent Apts.	1658
5. Illinois	CAMCO	Chicago	4% Tax Credit Apts. Sec. 8 and Mkt Rent	983
6. Northeast	SP	NJ	4% Tax Credit Apts.	970
7. New York City	SP-Marion Scott RE	NYC	Sec 8 Apts	<u>1062</u>
Total Current Division SP-Partner Apartments Owned				9060



Tiberlake Square
7304 Timberlake Road

